



**Board of Trustees  
Committee Meeting  
Rudolph Jones Student Center  
Room 242**

**Committee on Budget and Finance  
Wednesday, December 13, 2023  
1:00 p.m.**

**AGENDA**

Call to Order	Stuart Augustine, Committee Chair
Welcome and Opening Remarks	Stuart Augustine
Roll Call	Karen Bussey
Approval of Minutes:	September 27, 2023

**Information Items:**

There are no information items to be presented at this committee meeting.

**Action Items:**

**BF-1** New Residence Hall Project Authority Increase.

**Committee Members:** Stuart Augustine, William Warner, Glenn Adams, Donald Moore, Kimberly Jefferies Leonard

Staff Liaison: Dr. Lillian Wanjagi  
Board Professional: Anita Cheatham

---

For further information, please contact:  
Dr. Lillian Wanjagi, Vice Chancellor for Business and Finance  
910-672-1151

**BUGET AND FINANCE COMMITTEE**

**Wednesday, September 27, 2023**

**1:00 PM**

The Committee on Budget and Finance of the Fayetteville State University Board of Trustees convened Wednesday, September 27, 2023, in the Rudolph Jones Center Room 242. Committee Chair Stuart Augustine presided and called the meeting to order at 1:00 p.m.

**ROLL CALL**

The following Trustee Committee members were in attendance: Stuart Augustine, Glenn Adams, Jerry Gregory, Kimberly Jefferies Leonard, and Donald Moore.

Staff persons in attendance were Chancellor Darrell Allison, Provost Monica Leach, Vice Chancellor Wanda Jenkins, Vice, Associate Vice Chancellor Gretchen Cobb, Associate Vice Chancellor Michelle Donegain, Associate Vice Chancellor Jon Parsons, Associate Vice Chancellor Kenny Spayd and Associate Vice Chancellor Sandra Williams.

**APPROVAL OF MINUTES**

Trustee Glenn Adams made a motion to approve the minutes of the Budget and Finance Committee meeting held on June 7th, 2023, as distributed. Trustee Kimberly Jefferies Leonard seconded the motion. The motion carried.

**BUDGET AND FINANCE UPDATES**

AVC Sandra Williams, Associate Vice Chancellor for Budgets, Financial Planning & Analysis, presented the Fiscal Year 2023-24 Budget Process. The FY24 certified budget is approximately \$77.7 million and the certified operational budget is approximately \$14.56 million.

**CAPITAL PROJECTS UPDATES**

Vice Chancellor Lillian Wanjagi presented the status of various capital improvement projects.

- Bryant/Vance Demolition  
Demolition complete for both buildings, Bryant site prep for HWC still in progress.
- McLeod Hall HVAC Conversion  
Scheduled to reopen for students in January 2024
- New Residence Hall  
CM at Risk change to Metcon

Draft GMP from Metcon under review at FSU and SCO  
Due to escalation, NRH bed count reduced by 32 from 368 to 336 beds  
Scheduled to open for students in August 2025

- New College of Education  
Project is currently in Design Development phase  
Early construction package to start in February 2024  
Scheduled to open in Spring 2026
- Health & Wellness Center  
Project is currently in Design Development phase  
Scheduled to open in Fall 2025
- Chick/Rosenthal Renovation  
Chick project is in combined Schematic Design/Design Development phase  
Rosenthal SD/DD phase will begin in early 2024  
Scheduled to open: Chick Summer 2025, Rosenthal Fall 2025
- Parking Deck  
Advanced Planning phase is underway  
Scheduled to open Fall 2025
- Campuswide Utility Infrastructure  
Advanced Planning design phase is underway  
Multi-phase project will be complete in 2026

## ACTION ITEMS

### **Action Item: BF1: New Health & Wellness Center Project: Commissioning Agent Selection**

Board approval is required to select a firm to provide commissioning services on the Health & Wellness Center Building project and authorizing University staff to negotiate a contract and fee with the selected firm. (8) submissions were received and (3) firms were selected. The Pre-Selection Committee's ranking order of the three firms interviewed is:

- System WorCx
- Hanson
- RMF

Chair Stuart Augustine inquired about what stood out about System WorCx and whether the firm has done previous work for FSU. Dr. Wanjagi provided the selection criteria. AVC Parsons confirmed that System WorCx has done projects in the past. Trustee Kimberly Jefferies Leonard inquired about HUB certification. AVC Parsons shared that a total of (8) firms submitted responses to the request and none of the (8) firms were HUB certified. There is a sub-consultant on each team of the (3) firms selected which are HUB none are local.

Trustee Glenn Adams made a motion to approve System WorCx to provide commissioning services on the New Health & Wellness Center. The motion was seconded by Trustee Kimberly Jefferies Leonard. The motion carried.

### **Action Item: BF2: Helen T Chick/Rosenthal Renovation: Commissioning Agent**

## **Selection.**

Board approval is required to select a firm to provide commissioning services on the Chick/Rosenthal Building Renovation project and authorizing University staff to negotiate a contract and fee with the selected firm. (8) submissions were received and (3) firms were selected. The Pre-Selection Committee's ranking order of the three firms interviewed is:

- System WorCx
- Hanson
- RMF

Trustee Glenn Adams made a motion to approve System WorCx to provide commissioning services on the Chick/Rosenthal Building Renovation project. The motion was seconded by Trustee Jerry Gregory. The motion carried.

## **Action Item: BF3: Replacement of the Fire Alarm Panel in Hackley Honors Hall**

Board approval is required for project authority of \$250,000 for the Hackley Hall Fire Alarm Panel replacement and authorizing the University to move forward with designer selection for the project. The original panel was damaged by a water leak and the replacement parts are no longer available. It will be paid for by a combination of insurance proceeds that we have filed claims for and housing receipts.

Trustee Glenn Adams made a motion to approve project authority for the replacement and authorizing the University to move forward with designer selection for the project. The motion was seconded by Trustee Jerry Gregory. The motion carried.

Dr. Wanjagi concluded by introducing a new staff member, the Associate Vice Chancellor for Administration, Michelle Donegain.

## **EXTERNAL AND MILITARY AFFAIRS UPDATE**

Wesley Fountain, Vice Chancellor for External Affairs and Military Relations, announced a new appointment in his division. Retired Lieutenant Colonel Michael Alexander as the Associate Vice Chancellor for Military Relations.

VC Fountain also presented an update on the legislative budget. The legislature authorized funding for each of FSU's priorities, including:

- The Completion Assistance Program providing students up to \$1,000 per semester for the cost of continuing attendance and earning necessary credit hours.
- A \$10 million renovation and 3,000 square foot addition to the Cook Building to transforming FSU's Military Affairs and Veteran's Academic Center into a full service academic support center.
- Extended funding through June 30, 2024 for the Fayetteville-Cumberland Regional Entrepreneurship-Business HUB offering support and resources to entrepreneurs, as well as the SANE Nursing Training Pilot.

## ADJOURNMENT

The Budget and Finance Committee adjourned at approximately 1:32 p.m.

Stuart Augustine, Chair  
Anita Cheatham, *Recorder*



# **BOARD OF TRUSTEES COMMITTEE ON BUDGET AND FINANCE**

**Dr. Lillian Wanjagi  
Vice Chancellor for Business and Finance  
September 27, 2023**

## Increase in Project Authority and Request for Self Liquidating Debt Authority

- Current project authority is \$44,000,000
- An additional \$6,000,000 is requested and will be debt financed to be added to the current project authority for a total authority of \$50,000,000.
- The additional authority will assist in covering additional expenses due to the escalation of construction costs.
- Approval to seek \$6,000,000 in self-liquidating debt is being sought. The actual debt will be issued in mid-2025 and will be repaid via revenues generated by the new residence hall.



# New Residence Hall Project: 7-year Debt Term

## OPERATING PROJECTIONS

FY	Revenues	Operating Expenses	Annual NOI	Annual Debt Service	DSCR	Excess Cash Flow	
						Annual	Cumulative
1 2026	\$2,693,875	-\$806,379	<b>\$1,887,496</b>	-\$1,045,625	1.81	\$841,871	\$841,871
2 2027	\$2,774,692	-\$830,571	<b>\$1,944,121</b>	-\$1,051,750	1.85	\$892,371	\$1,734,242
3 2028	\$2,857,932	-\$855,488	<b>\$2,002,444</b>	-\$1,052,500	1.90	\$949,944	\$2,684,186
4 2029	\$2,943,670	-\$881,153	<b>\$2,062,518</b>	-\$1,051,250	1.96	\$1,011,268	\$3,695,454
5 2030	\$3,031,981	-\$907,587	<b>\$2,124,393</b>	-\$1,048,000	2.03	\$1,076,393	\$4,771,848
6 2031	\$3,122,940	-\$934,815	<b>\$2,188,125</b>	-\$1,052,750	2.08	\$1,135,375	\$5,907,223
7 2032	\$3,216,628	-\$962,859	<b>\$2,253,769</b>	-\$1,050,000	2.15	\$1,203,769	\$7,110,992
8 2033	\$3,313,127	-\$991,745	<b>\$2,321,382</b>	\$0	n/a	\$2,321,382	\$9,432,374
9 2034	\$3,412,521	-\$1,021,497	<b>\$2,391,023</b>	\$0	n/a	\$2,391,023	\$11,823,397
10 2035	\$3,514,896	-\$1,052,142	<b>\$2,462,754</b>	\$0	n/a	\$2,462,754	\$14,286,151
11 2036	\$3,620,343	-\$1,083,707	<b>\$2,536,637</b>	\$0	n/a	\$2,536,637	\$16,822,788
12 2037	\$3,728,954	-\$1,116,218	<b>\$2,612,736</b>	\$0	n/a	\$2,612,736	\$19,435,524
13 2038	\$3,840,822	-\$1,149,704	<b>\$2,691,118</b>	\$0	n/a	\$2,691,118	\$22,126,642
14 2039	\$3,956,047	-\$1,184,195	<b>\$2,771,851</b>	\$0	n/a	\$2,771,851	\$24,898,493
15 2040	\$4,074,728	-\$1,219,721	<b>\$2,855,007</b>	\$0	n/a	\$2,855,007	\$27,753,500



**Agenda Item BF-1**

**Executive Summary**

**MEETING DATE:** December 13, 2023

**COMMITTEE:** Business and Finance

**SUBJECT** New Residence Hall Project: Increase in Project Authority  
Request for Self – Liquidating Debt Authority

**BACKGROUND:** The North Carolina Office of State Budget and Management approved an additional \$4,000,000 in project authority for the New Residence Hall project in April of 2023 bringing the total project authority to \$44,000,000.

An additional \$6,000,000 in project authority is now being requested to support the construction of the 336-bed residence hall and cover additional expenses due to the escalation of construction costs. The additional project authority will be debt financed and repaid via future housing receipts.

Any increase in project authority must be approved by the FSU Board of Trustees and the UNC Board of Governors.

Self-liquidating debt authority must be approved by the FSU Board of Trustees, the UNC Board of Governors and the North Carolina General Assembly.

**MOTION:** The Board approves the University to seek UNC Board of Governors approval for \$6,000,000 in self-liquidating debt authority and to increase the New Residence Hall project authority by \$6,000,000 to a total of \$50,000,000, with final approval by the UNC Board of Governors.

Supporting Document(s) Included: none

---

Reviewed by: Lillian Wanjagi  
Vice Chancellor for Business and Finance

Date: 12/6/2023

Prepared by: Jon Parsons  
Associate Vice Chancellor for Facilities Management

Date: 12/6/2023